

1 SENATE BILL 436

2 **46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004**

3 INTRODUCED BY

4 Timothy Z. Jennings

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10 AN ACT

11 RELATING TO TAXATION; CREATING INCOME TAX AND CORPORATE INCOME  
12 TAX CREDITS FOR EXPENSES PAID TO LICENSED NURSING HOMES,  
13 LICENSED INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED  
14 AND LICENSED RESIDENTIAL TREATMENT CENTERS.

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16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 Section 1. A new section of the Income Tax Act is enacted  
18 to read:

19 "[NEW MATERIAL] INCOME TAX--CREDIT FOR NURSING HOME  
20 EXPENSES.--

21 A. A taxpayer who files an individual New Mexico  
22 income tax return and who is not a dependent of another  
23 taxpayer may claim a credit for expenses that the taxpayer  
24 incurred and paid to a licensed nursing home, licensed  
25 intermediate care facility for the mentally retarded or

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1 licensed residential treatment center during the taxable year.  
2 The credit shall not exceed ten dollars (\$10.00) for each day  
3 that expenses for services from the licensed nursing home,  
4 licensed intermediate care facility for the mentally retarded  
5 or licensed residential treatment center accrued against the  
6 taxpayer.

7 B. A husband and wife who file separate returns for  
8 a taxable year in which they could have filed a joint return  
9 may each claim only one-half of the credit that would have been  
10 allowed on a joint return.

11 C. The credit provided in this section may only be  
12 deducted from the taxpayer's income tax liability. Any  
13 portion of the tax credit provided by this section that remains  
14 unused at the end of a taxable year may be carried forward for  
15 four consecutive years."

16 Section 2. A new section of the Corporate Income and  
17 Franchise Tax Act is enacted to read:

18 "[NEW MATERIAL] CORPORATE INCOME TAX--CREDIT FOR NURSING  
19 HOME EXPENSES.--

20 A. A taxpayer who files a corporate income tax  
21 return may claim a credit for expenses that the taxpayer  
22 incurred and paid to a licensed nursing home, licensed  
23 intermediate care facility for the mentally retarded or licensed  
24 residential treatment center during the taxable year. The  
25 credit shall not exceed ten dollars (\$10.00) for each day that

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underscoring material = new  
[bracketed material] = delete

1 expenses for services from a licensed nursing home, licensed  
2 intermediate care facility for the mentally retarded or licensed  
3 residential treatment center accrued against the taxpayer.

4 B. The credit provided in this section may only be  
5 deducted from the taxpayer's corporate income tax liability.  
6 Any portion of the tax credit provided by this section that  
7 remains unused at the end of a taxable year may be carried  
8 forward for four consecutive years."

9 Section 3. APPLICABILITY.--The provisions of this act  
10 apply to taxable years beginning on or after January 1, 2004.